

C O N V A I R  
A Division of General Dynamics Corporation  
(San Diego)

24 June 1958  
11-0-3150  
CCS/rjo

**Subject:** Convair - A Division of General Dynamics Corporation  
San Diego 12, California  
CPFF Direct Labor and Quoting Rates for Calendar Year 1958

**To:** Office of Air Force Plant Representative  
San Antonio Air Materiel Area  
Convair - A Division of General Dynamics Corporation  
San Diego 12, California

**Reference:** (a) Meeting in AFPR's office attended by representatives  
of AFPR, BAR and Convair on 16 June 1958  
(b) Convair Letter to AFPR 11-0-139 dated  
27 January 1958

**Enclosure:** (A) CPFF Direct Labor and Quoting Rates for  
Calendar Year 1958

1. As a result of Reference (a) negotiations attended by representatives of the AFPR, the BAR and Convair, the following agreements were reached:

- (a) Negotiations only covered 1958 calendar year direct labor and overhead rates. The rates for 1959 through 1965 are being given to the AFPR for information purposes only.
- (b) The rates shown on the attached schedules will become effective 23 June 1958. In certain instances where quotations have been put into process prior to 23 June 1958 and it would cause too much extra work to make the rate revisions shown on the attached schedules, the Reference (b) rates will be utilized.
- (c) Due to unresolved problems in connection with the incorporation of per diem costs in basic labor rates at Edwards and Holloman, it was agreed to continue to use the rates shown in Reference (b) schedules on a temporary tentative basis until a resolution of this problem is made. When the question concerning per diem is resolved, revised rates for Edwards and Holloman will be negotiated.

CONVAIR  
(San Diego)

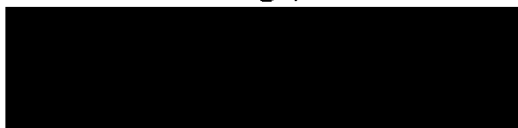
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To: AFPR

- (d) Convair will make the next review of all direct labor and overhead rates as of 30 September 1958, and provide notification thirty (30) days thereafter of any necessary revisions, or that such a review has been made and no changes are to be made. In the event any significant items affecting basic rate structures occur between now and 30 September 1958, interim revisions to these rates will be made. All reviews of rates will be submitted for negotiation. It is understood that compliance with the above procedure precludes revising any estimates processed prior to subsequent rate changes.
2. As a result of the aforementioned negotiation and the agreements above, subject quoting rates are submitted herewith as Enclosure (A).
3. Your approval of subject rates submitted herewith is requested.

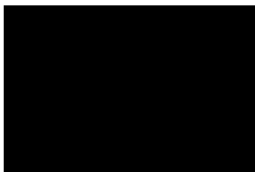
CONVAIR  
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Manager of Contracts

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CC:



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